

# MISSISSIPPI DIVISION OF MEDICAID

## Eligibility Policy and Procedures Manual

### 301.01.07 **EVIDENCE OF REAL PROPERTY OWNERSHIP**

Property ownership must be verified. Obtain a copy of the official document used to verify ownership and file it in the case record. The following official records may be used to establish real property ownership:

- **Current Deed** – If the client does not have a copy of the current deed, a copy may be obtained from records in the Chancery Clerk's office in the county where the property is located.

**NOTE:** Any discrepancies which exist between a deed and a tax receipt must be resolved in order to determine the true ownership situation. A deed must be recorded in the appropriate county office to be considered a true deed documenting ownership.

- **Tax Assessment Notice or Most Recent Tax Receipt** – Tax records and receipts describe the property. Phrases such as "Et al" and "Et ux" beside the name on a tax receipt indicate joint or common ownership in some form.
- **Current Mortgage Statement** – Mortgages are recorded in the Chancery Clerk's office; however, the name of the mortgage holder must be known.
- **Report of Title Search**
- **Wills, Court Records or Relationship Documents** – Which show rights of an heir to the property after death of the former owner.

### 301.01.08 **VERIFYING CURRENT MARKET VALUE (CMV)**

Once ownership or ownership interest of property has been verified, determine the current market value of the client's ownership interest.

Establish the CMV based on the most recent property tax assessment. If the tax assessment notice or method cannot be used because it meet one of the criteria for non-use specified in 301.01.08A below, then base the CMV on an estimate of probable market value obtained from a knowledgeable source.

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### 301.01.08A TAX ASSESSMENT NOTICE

Obtain a copy of the most recently issued tax assessment notice for the property and base the CMV on this assessment **unless**: one of the following applies to the tax assessment notice:

- The notice is more than a year old based on its date of issue (unless it specifies it covers more than one year and it is no older than the number of years it covers)
- The notice pertains to a special purpose assessment (unless it provides a fair market value assessment which can be used)
- The assessment is under appeal
- The assessment uses a fixed rate per acre method based on land usage, such as agricultural or industrial. (This does not refer to assessments where conditions dictate similar taxes for similar types of land, such as deserts, swamps, landfills, etc.)
- The notice provides either no assessment ratio or only a range, e.g., between 24 and 50 percent (unless the individual would be ineligible using the top of the range.)

### Calculating CMV from Tax Assessment Notice

A tax assessed value divided by the county tax assessment ratio is the CMV based on the assessment.

**Example:** The tax assessed value of a piece of non-home property is \$500. The assessment ratio is 15%, divide \$500 by .15 to arrive at a CMV of \$3333 based on the assessment.

### **NOTES:**

- Property in Mississippi is assessed at 10% for home property and 15% for non-home property.
- Class 1 property, as reflected on the tax receipt, is home property assessed at 10%.
- Class 2 property is non-home property assessed at 15%. (**Note:** Class 2 property may adjoin home property and therefore, be included in the definition of home property. )

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### 301.01.08B **KNOWLEDGEABLE SOURCE ESTIMATE**

If the tax assessment notice or method cannot be used to verify CMV because one of the reasons discussed above in 301.01.08A exists, have the client obtain an estimate of the property's CMV from a knowledgeable source.

Knowledgeable sources include, but are not limited to, the following:

- Real estate brokers;
- Local office of the Farmer's Home Administration (for rural land);
- Local office of the Agricultural Stabilization and Conservation Service (for rural land);
- Banks, savings and loan associations, mortgage companies, and similar lending institutions;
- An official of the local property tax jurisdiction (be sure to obtain the individual's estimate rather than the office's assessment)
- County Agricultural Extension Service; and
- Bureau of Land Management, the US Geological Survey or any mining company that holds leases (such as for CMV of mineral rights)

### **Information to be Included in the Estimate**

In addition to providing an estimate of the CMV, the knowledgeable source estimate must provide the following information:

- Name of the person providing the estimate;
- Name, address and telephone number of the business or agency for whom the person providing the estimate works;
- The basis for the estimate, to include such things as a description of the property and its condition and, where appropriate, the value of similar property in the same area); and
- The period to which the estimate applies (which correspond to the period for which it is being requested).

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### **Knowledgeable Source Estimate** (Continued)

#### **Telephone Documentation**

Assistance must be provided if the client is incapable of obtaining the estimate. If the estimate is obtained by telephone, the specialist must record the required information in the case record. If the validity of an estimate provided by the client is questionable, an additional estimate must be obtained from another knowledgeable source.

#### **301.01.08C CMV REBUTTAL**

If the individual disagrees with the CMV evidence he has submitted or the specialist has obtained, and the difference impacts eligibility, prepare a rebuttal determination.

The determination must take into account:

1. All the evidence previously in the file (the individual's original allegation, any tax assessment notices and any estimates from knowledgeable sources).
2. Any additional evidence the individual wishes to submit, including evidence that the individual's ownership interest in the property is worth less than the total value of the property divided by the number of owners.
3. Any other facts the RO has about the property or about market conditions where it is located. The rebuttal must be supported by a preponderance of the evidence (which may require one or more additional estimates from knowledgeable sources).